

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Enercon Engineering Inc.

Illinois Manufacturing Extension Center

VSM, 5-S Kaizen Generate \$140,000 In Inventory Reductions

Client Profile:

Enercon Engineering Inc. is a manufacturer of custom designed switchgear for low and medium voltage applications, custom designed controls for the power generation industry, and other power accessories. The company is located in East Peoria, Illinois, and employs 150 people.

Situation:

Leadership in Enercon's electrical division had been facing difficulties for years in implementing process controls in their highly customized electrical products. Because each product is unique, implementing standard process controls had either been not cost effective or unsuitable. Having utilized the process optimization process services of the Illinois Manufacturing Extension Center (IMEC), a NIST MEP network affiliate, as part of a plant expansion, the company called on IMEC's lean specialists for help.

Solution:

IMEC conducted a value stream map (VSM) of the Electrical Production and Testing operations which identified items causing wasted motion, excessive handling and idle time, lengthy lead times due to communication issues, cell assemblers not having tools available, and rework loops built into processes. The VSM was followed by 5-S Kaizen on the electrical product line. Inventory was consolidated, standard holding areas for items (ladders, brooms, and bolt carts) were designated, and projects were arranged.

Results:

- * Increased floor space by 4,000 square feet.
- * Reduced inventory by \$140,000.

Testimonial:

"The VSM and Kaizen event proved how valuable the Lean assistance from IMEC can be. We plan to perform another VSM with the IMEC team covering the front office functions. Embracing these Lean concepts will help Enercon stay competitive in a market that is becoming more price sensitive and competitive every day."

Nick Keever, Group Leader, Systems Support